

STATE OF WASHINGTON
LEGISLATIVE TRANSPORTATION
COMMITTEE

531 15TH AVENUE SE
OLYMPIA, WA 98504-0937
PHONE: (360) 786-7313
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REQUEST FOR PROPOSALS

JULY 12, 2004



TRANSPORTATION PERFORMANCE
AUDIT BOARD

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Cindi Yates

Revised 7/2/2004 9:40 AM

Request For Proposals for Review of Performance and Outcome Measures of the Washington State Department of Licensing's Transportation-Related Programs

I. BACKGROUND

In 2003, the Washington State Legislature established the Transportation Performance Audit Board (TPAB) to improve the accountability and efficiency of transportation-related agencies. The TPAB's enabling legislation created a two-step process to provide oversight and accountability of transportation agencies through the use of performance measure reviews and performance audits. TPAB's two-step process is:

1. To review performance and outcome measures of transportation-related state agencies. The purpose of this review process is to:
 - a. Ensure the Legislature will have the means to adequately and accurately assess the performance and outcomes of those agencies and departments,
 - b. Determine if performance audits are necessary, and
 - c. Determine the focus and scope of performance audits.
2. To recommend to the Legislature one or more performance audits based on the findings and recommendations of the review.

II. SCOPE OF WORK

Although the Department of Licensing (DOL) is comprised of five divisions, only three of them, Vehicle Services, Driver Services, and Information Services (hereafter referred to as "DOL transportation-related programs") receive transportation funding via the State of Washington's Transportation Budget. General information on each division is presented below.

The consultant will conduct a review of the performance and outcome measures of these DOL transportation-related programs. DOL's Business & Professions and Management Services are specifically excluded from the review.

- Driver Services - For the 2003-05 biennium, Driver services transportation funding was \$90.7 million and 584.0 FTEs.
 - Driver Examining issues driver's licenses and renewals, motorcycle endorsements, commercial driver's licenses and endorsements, and identification cards at 63 License Services Offices (LSOs) and four travel units. It also administers the motorcycle safety and commercial driver's license programs, and coordinates the motor voter program.
 - Drivers Responsibility administers state law relating to Driving Under the Influence (DUI), mandatory convictions, implied consent, habitual traffic offenders, financial responsibility and minors in possession. It identifies potentially unsafe drivers by records screening and referral, processes citations and accident reports, and provides documentation to courts.
 - Hearing/Interviews conducts hearings and interviews for drivers facing suspension or revocation of driving privileges. They coordinate remedial programs for problem drivers, and the driver awareness program to the traffic safety community, school and general public.
- Vehicle Services - For the 2003-05 biennium, Vehicle Services transportation funding was \$66.7 million and 288.5 FTEs.
 - Title & Registration Services is responsible for over 5 million vehicle and 300,000 vessel licenses and titles issued through county auditors and subagents. Services include special and personalized license plates and disabled person's placards.
 - Dealer and Manufacturer Services is responsible for licensing Washington's vehicle manufacturers, salvage and towing operations, and for vehicle, vessel and manufactured home dealers. It issues more than 3,500 new and 8,000 renewal licenses each year.
 - Prorate & Fuel Tax Services administers tax laws related to fuels and works with the transportation industry to license large trucks for which fees are prorated among several states.
- Information Services (limited to IT support for Driver Services and Vehicle Services) - For the 2003-05 biennium, Information Services transportation funding was \$19.4 million and 47.3 FTEs
 - Customer Systems Management Services develops and maintains the automated systems supporting the various program areas, including applications running on personal computers, departmental mid-range/LAN server computers, and central mainframe computer systems.
 - Agency Computer Services operates all of DOL's automated systems and responds to automated inquiries from federal, state, and local law enforcement (including the Washington State Patrol) about driver and vehicle records.

This review will focus on the following sections of RCW 44.75.070 (Exhibit A):

- Sections 1 – 5, and 7
- Section 6 to the extent of “a review of how performance data are reported to” the Legislature.

As a result of this review, the TPAB will expect to make recommendations to the Washington State Legislature as to whether performance audits of DOL's transportation-related programs are necessary, and if so, what the focus and scope of those audits should be.

NOTE: No assurance is given that the consultant selected to perform this review will be awarded any future performance audit contracts.

III. QUESTIONS TO ANSWER

In this review, the consultant is expected to answer the following questions regarding the Department of Licensing's transportation-related programs:

- Has the Legislature established clear mandates, strategic plans, mission statements, and goals and objectives?
- Are DOL's performance and outcome measures for the programs consistent with legislative mandates, strategic plans, mission statements, and goals and objectives?
- Are the programs' current reporting requirements contributing to the efficiency of the Department and are they cost effective?
- Are the programs' reports being utilized by their targeted user groups?
- How are the programs using performance and outcome measures to manage resources in an efficient and effective manner?
- Has DOL established clear performance benchmarks and/or standards for assessing overall performance of the programs?
- How is DOL's management using the performance measurement data to improve its organization, budget planning, and allocation of resources?
- What performance benchmarks have been used in other states to measure the performance of similar programs in similar agencies? How do they compare with those used by DOL?
- Is DOL's information technology capability adequate to provide management information necessary to monitor the programs' performance benchmark data?

IV. DELIVERABLES

The consultant will provide the following services and deliverables:

1. Within five (5) calendar days after the signing of the contract, the consultant shall submit a work plan to meet the work requirements in Sections II, III and IV of this RFP, and any changes necessary based on additional information. The work plan shall include:
 - Specific steps detailing how a performance measure review of DOL's transportation-related programs will be carried out;
 - The specific tasks to be performed and by whom;
 - The expected duration and level of effort in hours by person;
 - The specific data that will be needed, along with data sources; and
 - A schedule for performing the tasks.

The TPAB will review, comment on, and approve the final work plan. Any subsequent changes to the work plan shall also require approval by the TPAB.

2. Assemble and review the legislation, performance measures, performance benchmarks, and reports that are relevant to carrying out the purpose of this study. Review past audit reports of DOL, and conduct interviews with DOL management staff and other key individuals or organizations as identified by the consultant.
 - Summarize the data gathering efforts, including a list of the reports and documents assembled, and comments related to the review of the documents.
 - Identify legislative mandates and how they are used to conduct DOL's activities.
 - Determine whether or not strategic plans exist, and if so, how they are used for department management purposes.
 - Determine whether or not mission statements are clearly established, and how they are used by DOL management.
 - Determine whether or not goals and objectives of DOL's major programs are clearly established, and whether or not those goals support the mission statement.
3. Review performance benchmarks that are used in other states to measure the performance of similar programs in similar agencies. Select three states where performance benchmarks have been used by management to improve agency performance. Include the criteria used to select the states used for comparison. In the selected states, contact key staff members who are responsible for performance benchmarks and assemble the reports and data that are relevant to this review. Identify and present examples of best practices and specifics as to how the performance benchmarks were used.
4. Evaluate DOL's performance and outcome measures with regard to consistency with legislative mandates, strategic plans, mission statements, and goals and objectives. Assess whether the Legislature has established clear mandates, strategic plans, mission statements, and goals and objectives that lend themselves to performance and outcome measurements. Evaluate existing DOL management practices and systems to address the following issues:
 - How DOL management uses performance measures to manage resources in an efficient and effective manner.
 - How DOL establishes performance benchmarks for the purpose of assessing overall performance compared to external standards and benchmarks.
 - How DOL uses performance outcome measures to measure customer satisfaction with agency services.
 - How DOL uses the analysis of the measurement data to make planning and operational improvements.
 - How DOL uses performance and outcome measures in budget planning, development, and allotment processes, and the extent to which DOL is in compliance with its responsibilities under RCW 43.88.090.
 - The capability and adequacy of DOL's information technology systems for providing management necessary to monitor performance benchmark data.

5. Formulate recommendations. Based on the assembled data, evaluation of the data and existing practices, interviews, and research of other states' performance measures/benchmarks, the consultant will formulate its recommendations. The recommendations will focus on the study questions listed on pages 3 and 4. Include recommendations related to if and to what extent performance audits of the DOL transportation-related programs should be carried out.
6. Provide the TPAB/LTC staff with twice-monthly status reports.
7. Prepare and present to the TPAB, monthly (or more frequently) interim progress briefings and written progress reports that address and summarize the issues in items 2-5 above. TPAB may provide comments on the reports and briefings.
8. Prepare preliminary and final reports. The consultant will prepare a preliminary final and final report. The report should describe the analysis, findings, conclusions, and recommendations for items 2-5 above. The TPAB may provide comments. The consultant will finalize the report and submit 15 copies and an electronic version to the LTC Staff Coordinator.

V. OVERSIGHT AND ADMINISTRATIVE RESPONSIBILITY

The TPAB will form a subcommittee specifically to provide oversight for this review.

Legislative Transportation Committee staff will provide administrative support for TPAB and will be responsible for the following activities:

- Prepare, publish and administer the RFP process.
- Coordinate the selection process and negotiate the contract.
- Administer the contract (review and approve invoices, ensure milestones are being met, etc.)
- Attend twice-monthly meetings with consultant.
- Evaluate, edit, and accept consultant products.
- Coordinate communications and meetings between TPAB, the consultant, and the Joint Legislative Audit & Review Committee (JLARC) staff.

JLARC staff will:

- Provide information related to past audits that were carried out for the Department of Licensing.

VI. QUALIFICATIONS

- Bidder must be licensed to do business in the state of Washington.
- LTC/TPAB shall also examine Bidder for responsibility. Responsibility shall include such measures as insurance coverage that meets state requirements, references, prior experience and satisfaction of existing clients, and other information related to responsibility.

VII. DEFINITIONS

- **Apparently Successful Bidder or Apparently Successful Consultant** - the Bidder or Consultant selected as the most qualified entity to perform the stated services.

- **Bidder or Consultant** - an entity intending to submit or submitting a proposal for the project.
- **FTE** - Full-Time Equivalent Employee
- **LTC** - Legislative Transportation Committee, a Washington State legislative agency.
- **LTC Staff Coordinator** - the Chief Executive Officer of the Legislative Transportation Committee.
- **Legislative Auditor** - the Chief Executive Officer of JLARC.
- **JLARC** - the Washington State Joint Legislative Audit and Review Committee, a Washington State legislative agency.
- **TPAB** - the Transportation Performance Audit Board.
- **RFP** - this Request for Proposal, any addendum or erratum thereto, Bidder's written questions and the respective answers, and any related correspondence that is addressed to all Bidders.
- **DOL** - the Washington State Department of Licensing.
- **Performance measures** - Performance measures describe how success in achieving the agency goals will be measured and tracked. They also describe the results expected of agency activities.
- **Benchmarks** - A standard by which performance can be measured or judged.

Contract definitions are provided in the state of Washington General Terms and Conditions for personal services contracts in Exhibit B.

VIII. RESOURCES

Relevant Governing Statutes (DOL):

- Title 46, "Motor Vehicles" - <http://www.leg.wa.gov/rcw/index.cfm?fuseaction=title&title=46>
- 43.24 RCW - "Department of Licensing"
<http://www.leg.wa.gov/rcw/index.cfm?fuseaction=chapterdigest&chapter=43.24>
- 88.02 RCW - "Vessel Registration"
<http://www.leg.wa.gov/rcw/index.cfm?fuseaction=chapterdigest&chapter=88.02>

2005-2007 DOL Strategic Plan:

- <http://www.dol.wa.gov/agency/stratplan0507.pdf>

DOL Website:

- <http://www.dol.wa.gov>

Relevant Governing Statutes (TPAB):

- Chapter 44.75, "Transportation Performance Audit Board,"
<http://www.leg.wa.gov/rcw/index.cfm?fuseaction=chapterdigest&chapter=44.75>

Transportation Resource Manual:

- Published biennially by the Legislative Transportation Committee -
<http://ltc.leg.wa.gov/manual03/default.htm>

OFM Guidelines for Strategic Plans and Performance Measures:

- <http://www.ofm.wa.gov/budget/instructions/05-07budinstpart1.pdf>

Recent performance audits and studies of Washington State transportation agencies, conducted on contracted by the Joint Legislative Audit and Review Committee (JLARC) or the Office of Financial Management (OFM):

- http://lrc.leg.wa.gov/tpab/tpab_audits.htm

IX. PROJECT BUDGET

The budget for this review shall not to exceed \$100,000. Any resulting contract for this project will be subject to the standard state of Washington General Terms and Conditions for personal services contracts. A copy is attached to this RFP as Exhibit B.

X. INSTRUCTIONS TO BIDDERS

A. SUBMISSION OF PROPOSAL

NOTE: All times listed below refer to local time in Olympia, Washington.

1. Letter of Intent to Bid must be submitted either electronically or by hard copy and must include company name, address and email address by July 19, 2004.
2. Bidders must submit five copies of the proposal.
3. Proposals are due no later than 5:00 p.m. on July 26, 2004, whether mailed or hand delivered. Late proposals will not be accepted and will be automatically disqualified. Proposals should be submitted to:

Legislative Transportation Committee
Diane Schwickerath, RFP Coordinator
P.O. Box 40937
531 15th Avenue SE
Olympia, WA 98504-0937

4. If oral interviews and presentations are scheduled, selected bidders will be required to attend at their expense. Selected bidders will be notified of the date, time and location of their scheduled interview and presentation.
5. All proposals and accompanying documentation become the property of LTC and TPAB and will not be returned.
5. LTC will not be liable for any costs associated with preparation and presentation of a proposal submitted in response to this RFP. The Bidder assumes responsibility for its personnel's travel and associated costs as they relate to bidding on this project.
6. In the event it becomes necessary to revise any part of this RFP, an *addendum* or *erratum* will be provided to all Bidders who have submitted a Letter of Intent to Bid.
7. After submission, Bidders will not be allowed to amend the proposal. Responses consisting solely of marketing material are not acceptable and will be rejected.
8. Questions regarding this RFP should be directed to Diane Schwickerath, RFP Coordinator, as the single point of contact for this solicitation, preferably by email to ***schwicke_di@leg.wa.gov***, or by phone at (360) 786-7312. The RFP Coordinator may require that inquiries be in writing. Inquiries concerning clarification of some aspect of the RFP will be accepted beginning at 8:00 a.m. on July 13, 2004. No inquiries concerning the RFP will be accepted after 5:00 p.m. on July 18, 2004. Final responses will be transmitted to all prospective Bidders by July 19, 2004.

B. LETTER OF SUBMITTAL

The Letter of Submittal and the attached Certification and Assurances form (Exhibit C) must each be signed and dated by a person authorized to legally bind the Bidder to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Bidder and any proposed subcontractors:

1. Name, address, principal place of business, telephone number, and fax number/email address of legal entity or individual with whom contract would be written.
2. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
3. Legal status of the Bidder (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.
4. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the State of Washington Department of Revenue.
5. Location of the facility from which the Bidder would operate.
6. Identify any Washington State employees or former Washington State employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Consultant's organization. If following a review of this information, it is determined by the LTC that a conflict of interest exists, the Bidder may be disqualified from further consideration for the award of a contract.

C. PROPOSAL FORMAT

Five copies of the proposal must be submitted on eight and one-half by eleven (8 1/2x11) inch paper with tabs separating the major sections of the proposal. The five major sections of the proposal are to be submitted in the order noted below:

1. Signed Letter of Submittal and signed Certifications and Assurances (Exhibit C).
2. Technical Approach
 - A description of proposed approaches to these tasks, not to exceed five pages. This page limitation does not include resumes, qualifications, work sample, or Letter of Submittal and signed Certifications and Assurances form.
3. Management Approach
 - A statement of qualifications to conduct this work.
 - Identification of the individual(s) who will do the actual work being proposed, with attached professional resumes.
 - Sample of previous work similar to this type of project.
4. Cost Approach
 - The total cost of this work in a detailed budget, including direct and indirect labor, travel, and any other expenses (itemized). The cost description should identify projected work hours and hourly rate(s) for the employees who will be assigned to this project.

5. References

- Include three references with whom your firm has done similar work for. For each reference, include name, title, organization, address, phone number and email address.

XI. EVALUATION CRITERIA

Proposals will be reviewed and evaluated by a panel selected by the TPAB. After the initial evaluations, the TPAB will select a small group of Bidders as finalists for oral interviews and presentations to the evaluation panel. Commitments made by the Bidder at the oral interview, if any, will be considered binding. The score from the oral presentation will be considered independently and will determine the apparently successful bidder.

Written proposals submitted in response to this request will be evaluated and weighted on the following three categories. This evaluation will be used solely for selecting Bidders to be invited to make an oral presentation.

- Technical Approach (40%)
 - Proposed project approach and methodology
 - Quality of work plan
 - Feasibility of proposed schedule
 - Description of proposed deliverables
- Management Approach (40%)
 - Project Team Structure/Internal Controls
 - Staff Qualifications & resumes
 - Relevant experience with projects of similar complexity & type
 - Other applicable experience
- Cost Approach (20%)
 - Quality of detailed budget
 - Reasonableness of cost approach
 - Total project cost

XII. ESTIMATED SCHEDULE OF ACTIVITIES

Due Date for Proposals	July 26, 2004
Evaluate Proposals	July 27 - August 3, 2004
Oral Interviews	August 5 - 11, 2004
Announce Apparent Successful Consultant	August 13, 2004
Notify Unsuccessful Bidders	August 13, 2004
Estimated Contract Start Date	September 1, 2004
Final Report Due	December 17, 2004

XIII. PROPRIETARY INFORMATION

All proposals received shall be public records but shall remain confidential until the successful bidder resulting from this RFP, if any, is announced. Thereafter, proposals shall be available for public inspection and copying as required by Chapter 42.17 RCW (the principal Washington State statute pertaining to accessibility to public records) except as exempted in that chapter or by other. Bidders are advised that the permissible exemptions

from public disclosure pursuant to Chapter 42.17 RCW are very narrow in scope and will be strictly construed. In the event that a bidder desires to claim portions of its proposal as exempt from disclosure under the provisions of the aforementioned RCW, it is incumbent upon that bidder to clearly identify those portions in a proposal transmittal letter. The transmittal letter must identify the page and particular exemption(s) from disclosure upon which it is making its claim. Further, each page claimed to be exempt must be clearly identified by the word "CONFIDENTIAL" printed on the lower right-hand corner of the page.

Designating the entire proposal as confidential is not acceptable and will not be honored.

NOTE: The proposal of the successful bidder will be attached to the resulting contract and incorporated therein by that attachment. Therefore, as part of a public state agency contract, the *entirety* of the successful bidder's proposal will be subject to public disclosure regardless of any claim of confidentiality or previously applicable statutory exemption. Nevertheless, should a successful bidder obtain a court order from a Washington State court of competent jurisdiction prohibiting disclosure of parts of its proposal prior to the execution of the contract incorporating the same, the LTC shall comply with the court order. The burden is upon a successful bidder to evaluate and anticipate its need to maintain confidentiality and to proceed accordingly. Timeliness will be of the essence; a delay in execution of the contract to accommodate a petition to the courts will not be allowed.

XIV. LTC AND TPAB RIGHTS

1. Determination of clarity and completeness in the responses to any of the provisions in this RFP will be made solely by the LTC and TPAB. The LTC and TPAB reserve the right to require clarification, additional information, and materials in any form relative to any or all of the provisions or conditions of this RFP.
2. The LTC and TPAB reserve the right to reject any or all proposals at any time prior to the execution of a contract acceptable to the LTC and TPAB, without any penalty to the LTC or TPAB.
3. The LTC and TPAB intend to award the contract to the Bidder with the best combination of attributes based on the evaluation criteria listed in Section XI of this RFP. This RFP does not, however, obligate the LTC or TPAB to contract for services herein.
4. Should the LTC and TPAB fail to negotiate a contract with the Apparently Successful Bidder, the LTC and TPAB reserve the right to negotiate and contract with the next most qualified Bidder.
5. The LTC and TPAB reserve the right to waive specific terms and conditions contained in this RFP.
6. It shall be understood by Bidders that the proposal is predicated upon acceptance of all terms and conditions contained in this RFP unless the Bidder has obtained such a waiver, in writing, from the LTC prior to submission of the proposal. Any such waiver will be granted to all Bidders.
7. The LTC and TPAB reserve the right, at their sole discretion, to waive minor administrative irregularities contained in any Bidder's proposal.

Thank you for your interest.

RCW 44.75.070
Scope of reviews.

The reviews may include, but are not limited to:

- (1) A determination of whether the performance and outcome measures are consistent with legislative mandates, strategic plans, mission statements, and goals and objectives, and whether the legislature has established clear mandates, strategic plans, mission statements, and goals and objectives that lend themselves to performance and outcome measurement;
- (2) An examination of how agency management uses the measures to manage resources in an efficient and effective manner;
- (3) An assessment of how performance benchmarks are established for the purpose of assessing overall performance compared to external standards and benchmarks;
- (4) An examination of how an analysis of the measurement data is used to make planning and operational improvements;
- (5) A determination of how performance and outcome measures are used in the budget planning, development, and allotment processes and the extent to which the agency is in compliance with its responsibilities under RCW 43.88.090;
- (6) A review of how performance data are reported to and used by the legislature both in policy development and resource allocation;
- (7) An assessment of whether the performance measure data are reliable and collected in a uniform and timely manner;
- (8) A determination whether targeted funding investments and established priorities of government actually produce the intended and expected services and benefits; and
- (9) Recommendations as necessary or appropriate.

[2003 c 362 § 7.]

**PERSONAL SERVICES CONTRACT
FOR**

Contract # _____

**STATE OF WASHINGTON
LEGISLATIVE TRANSPORTATION COMMITTEE**

**531 15th Avenue SE
Olympia WA 98504-0937
(360) 786-7313**

SPECIAL TERMS AND CONDITIONS

1. THIS CONTRACT is made by and between the Legislative Transportation Committee, hereinafter referred to as "LTC" and the firm of _____, hereinafter referred to as the "Contractor."

2. CONTRACTOR: _____

ADDRESS: _____

Federal Employer Identification No.: _____

Washington Uniform Business Identification No.: _____

3. SCOPE OF ENGAGEMENT

The Contractor will provide all services generally described in Sections II, III and IV of the attached Request for Proposal, hereinafter referred to as the "RFP," as described in the Contractor's proposal, hereinafter referred to as the "Proposal," and as described in detail in the work plan attached hereto as Exhibit _ and made a part of this contract, hereinafter referred to as the "Work Plan."

4. It is agreed that Contractor's management staff performing work under this contract are as listed below:

It is understood that staff named above will be responsible throughout the period of this contract. Any changes in management personnel assigned to this engagement require a written contract amendment.

5. Contractor warrants that staff performing work under this contract possess adequate professional proficiency for the tasks required. All changes in staff noted on the approved

work plan, other than those mentioned in Section 4 above, require prior written approval by the LTC.

6. If irregularities, fraud, or other significant audit issues which may impact the project are suspected, the Contractor must immediately notify Nate Naismith, LTC Contract Coordinator, (360) 786-7327.
7. All instances of noncompliance with state and local laws will be disclosed to Nate Naismith, LTC Contract Coordinator, (360) 786-7327.
8. The LTC's Contract Coordinator is Nate Naismith, (360) 786-7327.

Contractor's Contract Coordinator is _____. (Name and Telephone)

9. EFFECTIVE DATE AND DURATION OF CONTRACT

Subject to other contract provisions, the period of performance under this contract will be from date of signing through _____, unless sooner terminated as provided herein.

10. All rights and obligations of the parties to this contract shall be subject to and governed by those Special Terms and Conditions contained in the text of this contract and the attached General Terms and Conditions, all hereby incorporated as part of this contract.

In the event of an inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

- (a) Applicable federal and state statutes and regulations;
- (b) The terms and conditions of this contract;
- (c) Request for Proposal for Review of Performance and Outcome Measures of the WSDOT Highways and Ferries Programs
- (d) The Contractor's Proposal dated _____ to the LTC's RFP, including all written information provided with the Contractor's Proposal;
- (e) The Contractor's final approved Work Plan;
- (f) Any other provisions of the contract whether incorporated by reference or otherwise.

11. COMPENSATION AND PAYMENT

The maximum amount to be paid to the Contractor under this contract shall not exceed \$_____ in total, and shall include full payment for all work specified in the scope of engagement outlined in item 3. The Contractor agrees that the LTC is not responsible for providing transportation to and from the project sites and that any travel costs, insurance costs, or other out-of-pocket costs are the responsibility of the Contractor. Any additional services provided by the Contractor would require a written contract amendment approved and processed through the LTC's office prior to beginning the additional services.

The Contractor may submit invoices for progress billings in accordance with the schedule included in Contractor's approved work plan. Payment for each billing will be made upon LTC's satisfaction with the overall progress of the Contractor and the quality of each deliverable. Each invoice will clearly indicate that it is for services rendered in performance under Contract No. _____.

All invoices must be submitted for payment to Nate Naismith, LTC Contract Coordinator, 531 15th Avenue SE, Olympia, WA 98504-0937. If LTC determines that the Contractor has not made satisfactory progress in accordance with the work plan, it may withhold payment until the necessary work is completed to LTC's satisfaction. Payment shall be considered timely if made by the LTC within 30 days. The LTC may, in its sole discretion, withhold payments owed the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of the contract.

12. The LTC shall have the authority to monitor the performance of the Contractor, approve actions by the Contractor, and accept or reject any deliverable provided by the Contractor.
13. If any provision of this contract shall be deemed in conflict with any statute or rule of law, such provision shall be deemed modified to be in conformance with said statute or rule of law.
14. The General Terms and Conditions attached hereto as Exhibit __ are made part of this contract.
15. This contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this contract shall be deemed to exist or to bind any of the parties hereto.
16. This contract shall be subject to the written approval of the LTC and shall not be binding until so approved. Only the LTC shall have the express, implied, or apparent authority to alter, amend, or waive any clause or condition of this contract.

IN WITNESS WHEREOF: The Legislative Transportation Committee and the Contractor have signed this contract.

STATE OF WASHINGTON
LEGISLATIVE TRANSPORTATION
COMMITTEE

CONTRACTOR

Signature

Signature

Title

Date

Title

Date

APPROVED AS TO FORM:

By: _____

Date

GENERAL TERMS AND CONDITIONS

DEFINITIONS -- As used throughout this contract, the following terms shall have the meaning set forth below:

- A. The "Legislative Transportation Committee," or "LTC," shall mean the Washington State Legislative Transportation Committee, any division, section, office, unit, or other entity of LTC or any of the officers or other officials lawfully representing the LTC.
- B. "Contractor" shall mean that firm, provider, organization, individual, or other entity performing services under this contract, and shall include all employees of the Contractor.
- D. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this contract under a separate contract with the Contractor. The terms "Subcontractor" and "Subcontractors" means Subcontractor(s) in any tier.

CONTRACTOR NOT EMPLOYEE OF THE AGENCY -- The Contractor and his or her employees or agents performing under this contract are not employees or agents of LTC. The Contractor will not hold himself/herself out as or claim to be an officer or employee of LTC or of the state of Washington by reason hereof, nor will the Contractor make any claim or right, privilege or benefit which would accrue to an employee under Chapter 41.06. RCW or Chapter 28B.16 RCW.

NONDISCRIMINATION -- During the performance of this contract, the Contractor shall comply with all federal and state nondiscrimination laws, regulations, and policies.

NONCOMPLIANCE WITH NONDISCRIMINATION LAWS -- In the event of the Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled, or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with LTC. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

SUBCONTRACTING -- Neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the LTC.

INDEMNIFICATION -- The contractor shall defend, protect, and hold harmless the state of Washington, LTC, or any employees thereof, from and against all claims, suits or actions arising from the Contractor's acts which are libelous or slanderous, which result in injury to persons or property, which violate a right of confidentiality, or which constitute an infringement of any copyright, patent, trademark, or trade name through use of reproduction of material of any kind.

COVENANT AGAINST CONTINGENT FEES -- The Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established agent maintained by the Contractor for the purpose of securing business. LTC shall have the right, in the event of breach of this clause by the Contractor, to annul this contract without liability or, at its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

CONFLICT OF INTEREST -- LTC may, by written notice to the Contractor, terminate this contract if it is found after due notice and examination by the LTC that there is a violation of the *State Ethics Law Chapter 42.52 RCW*; or any similar statute involving the Contractor in the procurement of, or performance under, this contract.

In the event this contract is terminated as provided above, LTC shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor. The rights and remedies of LTC provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which the LTC makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

TREATMENT OF ASSETS --

- A. Title to all property furnished by LTC shall remain in LTC's office. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in LTC upon delivery of such property by the vendor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in LTC upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by LTC in whole or in part, whichever first occurs.
- B. Any property of LTC furnished to the Contractor shall, unless otherwise provided herein or approved by the LTC, be used only for the performance of this contract.
- C. The Contractor shall be responsible for any loss or damage to property of LTC which results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- D. Upon loss or destruction of, or damage to, any auditees' or LTC's property, the Contractor shall notify LTC thereof and shall take all reasonable steps to protect that property from further damage.
- E. The Contractor shall surrender to LTC all property of LTC prior to settlement upon completion, termination, or cancellation of this contract.
- F. All reference to the Contractor under this clause shall also include Contractor's employees, agents, or Subcontractors.

NONASSIGNABILITY -- Neither this contract, nor any claim arising under this contract, shall be transferred or assigned by the Contractor.

RECORDS, DOCUMENTS AND REPORTS -- The Contractor shall maintain books, records, documents, and other evidence of accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract. These records shall be subject at all reasonable times to inspection, review, or audit by personnel duly authorized by the LTC, State Auditor or federal officials so authorized by law, rule, regulation, or contract. The Contractor will retain all books, records, documents, and other materials relevant to this contract for six (6) years after settlement, and make them available for inspection by persons authorized under this provision.

RIGHT OF INSPECTION -- The Contractor shall provide right of access to its facilities to the LTC, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract.

SAFEGUARDING OF INFORMATION -- The use or disclosure by any party of any information concerning LTC for any purpose not directly connected with the administration of LTC or the Contractor's responsibilities with respect to services provided under this contract is prohibited except by written consent of the LTC.

RIGHTS IN DATA -- Unless otherwise provided, data which originates from this contract shall be "works for hire" as defined by the U.S. Copyright Act of 1976 and shall be owned by LTC. Data shall include, but not be limited to: working papers, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register, and the ability to transfer these rights.

Data which is delivered under the contract, but which does not originate therefrom shall be transferred to LTC with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others to do so; *provided*, that such license shall be limited to the extent which the Contractor has a right to grant such a license. The Contractor shall exert all reasonable effort to advise LTC, at the time of delivery of data furnished under this contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this contract. LTC shall receive prompt written notice of each notice of claim of copyright infringement received by the Contractor with respect to any data delivered under this contract. LTC shall have the right to modify or remove any restrictive markings placed upon the data by the Contractor.

REGISTRATION WITH DEPARTMENT OF REVENUE -- The Contractor shall complete registration with the Department of Revenue, General Administration Building, Olympia, WA 98504, and be responsible for payment of all taxes due on payments made under this contract.

LICENSING, ACCREDITATION AND REGISTRATION -- The Contractor shall comply with all applicable local, state and federal licensing, accreditation, and registration requirements/standards, necessary for the performance of this contract.

INDUSTRIAL INSURANCE COVERAGE -- The Contractor shall provide or purchase industrial insurance coverage prior to performing work under this contract. LTC will not be responsible for payment of industrial insurance premiums or for any other claim or benefit for this Contractor, or any Subcontractor or employee of the Contractor, which might arise under the industrial insurance laws during performance of duties and services under this contract.

ADVANCE PAYMENTS PROHIBITED -- No payment in advance or in anticipation of services or supplies to be provided under this contract shall be made by LTC.

SAVINGS -- In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, LTC may terminate the contract under the "Termination for Convenience" clause, without the five-day notice requirement, subject to renegotiation under those new funding limitations and conditions.

LIMITATION OF AUTHORITY -- Only the LTC shall have the express, implied, or apparent authority to alter, amend, modify or waive any clause or condition of this contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this contract is not effective or binding unless made in writing and signed by the LTC.

WAIVER OF DEFAULT -- Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of the contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the contract unless stated to be such in writing, signed by the LTC and attached to the original contract.

CHANGES AND MODIFICATIONS -- The LTC may, at any time, by written notification to the Contractor and without notice to any known guarantor or surety, make changes in the general scope of the services to be performed under the contract. If any such changes cause an increase or decrease in the cost of, or the time required for the performance of this contract, an equitable adjustment may be made in the contract price or period of performance, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within thirty (30) days from the date of Contractor's receipt of the notice of such change; *provided*, however, that the LTC may, upon determining that the facts justify such action, receive and act upon such claim asserted at any time prior to final payment under this contract. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

DISPUTES -- If a dispute should arise between the Contractor and LTC regarding the performance or expected outcomes of the contract, such dispute shall be referred to the LTC Staff Coordinator for review and decision. If the decision by the LTC Staff Coordinator is not satisfactory to the Contractor, the Contractor may request in writing that the dispute be reviewed by the executive committee of LTC. Such written request shall be provided to the LTC Staff Coordinator within five (5) days following the Staff Coordinator's decision. The Staff Coordinator shall present the written request to the executive committee at its earliest convenience for review and decision. The decision of the executive committee shall become final and binding.

Unless mutually agreed to by the LTC and the Contractor, the work to be performed under this agreement shall not be delayed or stopped during the review of a dispute either by the LTC Staff Coordinator or the LTC Executive Committee.

TERMINATION FOR DEFAULT -- By written notice, LTC may terminate the contract, in whole or in part, for failure of the Contractor to perform any of the provisions hereof. In such event the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the mailing, advertising, and staff time; *provided*, that if (i) it is determined for any reason the Contractor was not in default, or (ii) the Contractor's failure to perform is without Contractor's and/or Subcontractor's control, fault or negligence, the termination shall be deemed to be a Termination for Convenience.

TERMINATION FOR CONVENIENCE -- Except as otherwise provided in this contract, the LTC may, by five (5) days written notice, beginning on the second day after the mailing, terminate this contract in whole or in part when it is in the best interests of LTC. If this contract is so terminated, LTC shall be liable only for payment in accordance with the terms of this contract for services rendered prior to the effective date of termination.

TERMINATION PROCEDURE -- Upon termination of this contract, LTC, in addition to any other rights provided in this contract, may require the Contractor to deliver to LTC any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

LTC shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by LTC, and the amount agreed upon by the Contractor and LTC for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services which are accepted by LTC, and (iv) the protection and preservation of property, unless the termination is for default, in which case the LTC shall determine the extent of the liability of LTC. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. LTC may withhold from any amounts due the Contractor such sum as the LTC determines to be necessary to protect LTC against potential loss or liability.

The rights and remedies of LTC provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the LTC, the Contractor shall:

1. Stop work under the contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract as is not terminated;
3. Assign to LTC, in the manner, at the times, and to the extent directed by the LTC, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case LTC has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the LTC to the extent the LTC may require, which approval or ratification shall be final for all the purposes of this clause;
5. Transfer title to LTC and deliver in the manner, at the times, and to the extent directed by the LTC any property which, if the contract has been completed, would have been required to be furnished to LTC;
6. Complete performance of such part of the work as shall not have been terminated by the LTC; and
7. Take such action as may be necessary, or as the LTC may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which LTC has or may acquire an interest.

GOVERNING LAW -- This contract shall be governed by the laws of the state of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County. The Contractor, by execution of this contract, acknowledges the jurisdiction of the courts of the state of Washington in this matter.

SEVERABILITY -- If any provision of this contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this contract which can be given effect without the invalid provision, and to this end the provisions of this contract are declared to be severable.

FORCE MAJEURE -- Neither party shall be liable to the other or deemed in default under this contract for any delay or failure to perform its obligations under this contract if such delay or failure

arises from any cause or causes beyond the reasonable control of the parties and without fault or negligence of the parties, including and not limited to acts of God, war, riots, strikes, fire, floods, earthquakes, epidemics, or other similar circumstances.

SCOPE OF CONTRACT -- This contract and the attachments incorporate all the contracts, covenants, and understandings between the parties concerning the subject matter, and all such covenants, agreements, and understandings have been merged into this contract. No prior contract or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this contract.

CHANGE OF CONTROL OR PERSONNEL -- Contractor shall promptly and in any case within twenty-four (24) hours notify the LTC Contract Coordinator in writing:

1. If any of the representations and warranties of the Contractor set forth in this contract shall cease to be true at any time during the term of this contract;
2. Of any material change in the Contractor's management staff;
3. Of any change in control of the Contractor or in the business structure of the Contractor; or
4. Of any other material change in the Contractor's business, partnership, or corporate organization relating to this engagement. All written notices regarding changes in management staff shall contain the same information about newly assigned management staff as was requested by LTC in the RFP and such additional information as may be requested by the LTC. For purposes hereof, the term "management staff" shall mean those persons identified as senior management in any response to a RFP or who otherwise will exercise a major administrative role or major policy or consultant role to the provision of the Contractor's services hereunder. All written notices regarding changes in control of the Contractor shall contain the same information about any new controlling entity as was requested by LTC in the RFP regarding the Contractor and such additional information as may be requested by LTC.

Approval of these changes rests solely with LTC and will not be unreasonably withheld.

PAYMENT OF TAXES -- Contractor shall pay all applicable taxes assessed on the compensation received under this contract and shall identify and pay those taxes under Contractor's federal and state identification number(s).

CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract(s):

1. I/we declare that all answers and statements made in the proposal are true and correct.
2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
3. The attached proposal is a firm offer for a period of 60 days following receipt, and it may be accepted by the LTC without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 60-day period.
4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. (Any exceptions to these assurances are described in full detail on a separate page and attached to this document.)
5. I/we understand that the LTC will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of the LTC, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.
6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by him/her prior to opening, directly or indirectly to any other Bidder or to any competitor.
7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.
8. No attempt has been made or will be made by the Bidder to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
9. The bidder certifies that no condition exists with respect to the bidder, or any of its employees, regarding any current or past relationship with the LTC, TPAB, WSDOT, or agencies that violate Chapter 42.52 RCW, the "Ethics in Public Service" Law.

Signature of Bidder

Title

Date